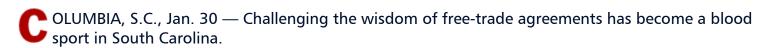
January 31, 2004

Globalism Minus Jobs Equals Campaign Issue

By ELIZABETH BECKER



Local newspapers here trumpeted the state's latest job-loss figures — 22,400 in 2003, the worst in the nation. One newspaper said the job losses suffered by South Carolina in the past three years marked the worst period since "the Great Depression."

New billboards ask passing drivers: "Lost your job to free trade or offshoring yet?"

South Carolina offers the most extreme example of the anxiety coursing through the country as white-collar and blue-collar jobs alike disappear to foreign competition.

A CBS News poll of likely Democratic primary voters in South Carolina released Friday night found that 56 percent want the party's nominee to support more trade restrictions. In addition, three-quarters of the likely primary voters attributed the loss of jobs in their area to trade with other nations.

The Democratic candidates tried to tap into those trade fears on Friday at a poverty forum, saying <u>President Bush</u> had mishandled free trade and promising not to sign another trade agreement until workers and their jobs got the same protection as corporations now do.

Walking a thin line between bemoaning globalization and flirting with protectionism, <u>Senator John Kerry</u> of Massachusetts said he would stop the stream of jobs overseas by only negotiating fair-trade agreements that contained labor and environmental standards. "I will not allow everyone to go, you know, to the bottom," he said.

<u>Senator John Edwards</u> of North Carolina repeated what could be the emerging Democratic trade policy: "We've been so focused on free trade we don't ask for fair trade."

In a sign that trade could become a preferred Democratic weapon against Mr. Bush, the complaints were bipartisan on Friday.

A few blocks away from the forum, South Carolina's two senators — Ernest F. Hollings, a Democrat, and Lindsey Graham, a Republican — took turns spewing anger and frustration at the current state of the American trade imbalance during a hearing about trade with China.

And it was Mr. Graham who warned the administration that its new trade agreements would meet stiff resistance in Congress so long as nothing was done about what he called the unfairness of Chinese trade. He also took aim at Robert B. Zoellick, the United States trade representative, for offering too much at trade talks. "I don't think he's a very good negotiator," Mr. Graham said.

To woo middle-class voters, Democrats link trade to the loss of three million jobs during the Bush

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administration — even though experts are split on the number of jobs lost to trade rather than to, say, new technology or increased productivity.

Mr. Hollings, one of the few senior lawmakers who describes himself as a protectionist, was even more adamant. "I don't know how to wake up this country, but we have got to have a competitive trade policy," he said.

In the sound bite of a campaign, that is reduced to "jobs."

"In this election, the issue is about jobs, jobs, jobs. Moving jobs offshore is not what Democrats think trade is all about," said Representative Charles B. Rangel of New York, the senior Democrat on the House Ways and Means Committee.

<u>Howard Dean</u>, the former Vermont governor, said at the forum that "all we've globalized are the corporations' rights to do business in other countries — not the workers' rights, human rights or the environment."

The formerly wide distinctions among the candidates on trade are a blurring now that <u>Representative</u> <u>Richard A. Gephardt</u> of Missouri, who wanted an international minimum wage, has left the race and the campaign of Senator <u>Joseph I. Lieberman</u> of Connecticut, who has accused his opponents of flirting with protectionism, has stalled.

There is now something approaching unanimity that the rules of global trade must be re-examined. While this may sound like old-fashioned protectionism, some of the party's most vocal free-traders say the candidates are right.

Mickey Kantor, the trade representative under President Bill Clinton, said the Democrats need to elevate trade as a critical issue facing the country and that they should question the current rules of trade, even if he wrote some of them.

"There may be a lot of heated rhetoric out there, but this is a serious issue, and the Democrats have the correct position to challenge some of the rules," said Mr. Kantor, who supports Gen. Wesley K. Clark. "Critics are laying too much at the altar of trade but it affects livelihoods and futures and it has to be debated seriously."

Like the other candidates, General Clark wants the trade laws to be more strongly enforced.

Trade now accounts for nearly a third of the economy, and the trade deficit has hit a record \$38 billion.

In critical campaign states like the Carolinas, Ohio and Pennsylvania, the link between trade and the loss of manufacturing jobs is an old complaint. But with accounting, medical and computer-software jobs also headed overseas to workers who often make a tenth of the salaries of Americans in comparable posts, the free-trade backlash is growing.

Republicans admit there is a crisis in confidence over trade. Carla A. Hills, the trade representative under the first President Bush, said the solution is to reinforce Americans' faith in free trade by explaining how many jobs are created through globalization, and assisting the workers and professionals who lose their jobs in the inevitable global shifts.

"We ought to take care of our people, provide them with good retraining and benefits," she said.

But as the American manufacturing base declined by 6 percent last year, Congress has reduced job http://query.nytimes.com/mem/tnt.html?tntget=2004/01/31/politics/campaign/31TRAD.html... 1/31/2004

training programs by 12 percent, or \$800 million, since 2001.

Popular disaffection is driving much of this debate. Several recent surveys show that Mr. Bush is vulnerable on his trade record. The University of Maryland's Program on International Policy Attitudes found this month that a majority of its poll respondents questioned his administration's approach to trade and criticized him for failing to help retrain Americans who lost their jobs.

Critics of the Democrats' emerging position on trade say that two leading candidates — Mr. Kerry and Mr. Edwards — should take some of the blame because they voted for many of the trade agreements.

"Nobody ever wants to be called a protectionist," said Daniel T. Griswold of the Cato Institute's Center for Trade Policy Studies. "But I think it is a disturbing sight to see so many prominent Democrats running away from their party that has historically supported trade expansion to improve our economy and help developing nations."

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